



JOHN ENGEN

OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297

EXHIBIT 2
DATE 1/23/07
HB 235

January 23, 2007

Local Government Committee
Montana House of Representatives

Hon. Committee Members:

As Mayor of the City of Missoula, I would like to express my support of House Bill No. 235, the Tourism Business Improvement District legislation. As you know, Missoula is Montana's second largest city and the largest city in western Montana and an economic commercial hub. Today, Missoula receives about \$140,000 annually to market Missoula and our neighboring communities. We are in direct competition with cities such as Spokane, Washington, with a promotion budget of \$2.5 million and Boise, Idaho, with \$640,000.

Tourism is a huge economic driver for Missoula with more than \$145 million spent annually in the City. On average, .74 cents of every dollar spent goes to retail purchases such as food, gas, clothes, gifts, etc. This means that tourism generates over \$105 million annually for our main street businesses. Since every dollar spent on promotion generates \$50 in increased visitor spending, it is imperative that we receive adequate funding to competitively market our area. Communities across the state are severely under funded compared to our competition across the country. This allows the industry to self-assess and grow tourism revenue for all businesses.

Thank you for your consideration and your service to Montanans.

Sincerely,

John Engen
Mayor